



ALTERNATIVE TO TRADITIONAL DEVELOPMENT REVIEW AND TRANSPORTATION FUNDING APPROACH— WHITE PAPER

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cc: Project Management Team, Planning Commission, Transportation Commission

DIRECTION TO THE PLANNING COMMISSION AND TRANSPORTATION COMMISSION

Five sets of white papers are being produced to present information on tools, opportunities, and potential strategies that could help Ashland become a nationwide leader as a green transportation community. Each white paper will present general information regarding a topic and then provide ideas on where and how that tool, strategy, and/or policy could be used within Ashland. You will have the opportunity to review the content of each white paper and share your thoughts, concerns, questions, and ideas in a joint Planning Commission/Transportation Commission meeting. Based on discussions at the meeting, the material in the white paper will be: (1) revised and incorporated into the alternatives analysis for the draft TSP; or (2) eliminated from consideration and excluded from the alternatives analysis. The overall intent of the white paper series is to explore opportunities for Ashland and increase the opportunities to discuss the many possibilities for Ashland.

ALTERNATIVE TO TRADITIONAL DEVELOPMENT REVIEW AND TRANSPORTATION FUNDING

This white paper presents an alternative approach to the traditional process used to identify and fund transportation projects through land use development. Current practice is inherently uncertain and thus financially risky for developers and provides limited control to the City in terms of where privately funded transportation projects are constructed. The traditional or current approach based on vehicular level-of-service (LOS) also tends to result in wider roadways to accommodate automobiles, which potentially negatively impacts the environment for pedestrian and bicyclists, and improvements being developed in proximity of the subject land use development. An alternative to the traditional or current vehicular LOS-based practice of identifying and funding transportation projects is critical given Ashland's (the community members as well as City staff) interest in creating a transportation system that serves the

pedestrian, bicycle, transit, and automobile modes equally well. The sections below discuss the traditional approach in more detail and presents an alternative approach more conducive to funding multimodal transportation projects systematically.

TRADITIONAL APPROACH

This section outlines the traditional and current approach in Ashland and discusses its associated strengths and limitations. The traditional approach includes the following general steps:

- 1) The developer is required to perform a transportation impact analysis (TIA) or transportation impact study (TIS) to determine the degree to which the development's estimated vehicle trips reduce the remaining vehicle capacity of the surrounding transportation system.
- 2) The developer is required to pay for mitigations to intersections that are forecasted to exceed level of service standards (i.e., experience too much vehicle delay in the evening peak period than deemed acceptable by the governing agency's LOS standard) as a result of the development's vehicle trip generation.
- 3) The City assesses a Transportation System Development Charge (SDC) to developers based on the number of vehicle trips their proposed development is estimated to generate.

Mitigations noted in the second bullet above can include adding one or multiple turn lanes to an intersection, installing a traffic signal, constructing a roundabout, and other similar types of modifications that add vehicle capacity to intersections. These intersections are typically in the development's vicinity, based on the past practices of identifying study areas for the required transportation impact analyses, and may not represent the highest capacity and/or safety needs across the transportation system.

Strengths

The strengths of the traditional approach are outlined below.

Minimize Vehicular Delay at a Low Cost to City — The traditional approach is structured to minimize delay at heavily traveled intersections on the system by using capacity-enhancing projects funded by developers. Therefore, large intersection capacity enhancements are often funded by developers rather than the City. These projects minimize delay for vehicles at the intersections serving the highest traffic volumes.

Vehicular Capacity Improvements Made Concurrently With Development — The traditional approach ensures that capacity improvements are made as they become necessary based on LOS standards and on the findings of the privately funded transportation impact analyses.

Good Approach for Undeveloped Areas — The traditional approach works well in undeveloped areas where infrastructure can be constructed as needed by developers. Assuming current

roadway design standards have provisions for pedestrians and bicycles, a multi-modal system can be developed simultaneously with development.

Limitations

The limitations of the traditional approach are outlined below.

Inherently Auto-Focused — Using the vehicular LOS performance standard described above (or a similar type of standard) has the potential to create a cycle of constructing wider roadways, which accommodate more automobiles while degrading the environment for pedestrians and bicyclists.

Uncertainty and Risk for Developers — The traditional approach is a risky and uncertain process for developers. At a minimum a developer invests \$5,000 to \$30,000 to prepare a trip generation letter and to conduct a TIA (possibly more depending on the size of the study) to determine their potential transportation system costs. If developers need to mitigate intersections, the costs increase quickly. The cost of installing a single turn lane can be \$100,000 and the cost of signalization can be \$250,000 or more; these costs can be higher depending on the physical conditions at the intersection. The process of preparing a TIA and identifying mitigations can also be time-consuming given the amount and complexity of the analysis that needs to take place and the corresponding agency review of the analysis. There is also a question of fairness of the approach to developers, because the approach penalizes the last developers to an area, whose traffic pushes an intersection over its LOS standard.

Equity to Large and Small Development — Large developments tend to pay for a majority of capacity improvements under the traditional approach, while smaller developments are not always required to pay for their incremental impact on the transportation system. In other words, a development that generates 1,000 daily trips is more likely to pay for capacity improvements than 10 developments that generate 100 daily trips. On the other hand, a large development could consume all of the available capacity on a given facility without triggering the need for an improvement and then when a smaller development comes along it may be required to pay for the improvement.

Potential to Discourage Density — The traditional approach rewards and encourages development in lower-density areas where intersections have relatively low traffic volumes. This has the potential to encourage sprawl as development and transportation investments occur around the perimeter of the city.

Does Not Actively Incorporate Safety-Related Elements — The traditional approach does not include a mechanism for funding safety elements unless an intersection that happens to have higher crash rates is also identified as being in need of additional vehicle capacity. In that case, mitigations to reduce crashes could be incorporated into the intersection project, but it is not required.

Poor Approach for Highly Developed Areas — The traditional approach limits a jurisdiction's ability to require pedestrian and bicycle improvements from developers beyond their site

frontage even if there are critical missing links in the pedestrian and bicycle network between the development and other activity centers or residential areas.

Limits Ability to Reach Community Goals — The traditional approach results in transportation projects constructed in a piecemeal fashion that are potentially isolated. Projects occur where development occurs, which is not always where transportation projects are needed. This piecemeal, unsystematic approach to implementing transportation projects makes it challenging for a city and community to reach system-wide goals. For example, the TSP goals agreed upon by the Ashland Planning and Transportation Commissioners and City staff are:

- 1) Create a “green” template for other communities in the state and nation to follow.
- 2) Make safety a priority for all modes of travel.
- 3) Maintain small-town character, support economic prosperity, and accommodate growth.
- 4) Create system-wide balance for serving and facilitating pedestrian, bicycle, rail, air, transit, and vehicular in terms of mobility and access within and through the City of Ashland.

These are all system-wide goals that are inherently multimodal. To meet these goals, the City and community need funding tools that provide a higher level of control and flexibility so funds can be focused on transportation projects that improve the system for multiple modes—as opposed to an approach resulting in spot improvements that benefit a single mode.

Summary

The traditional LOS performance standard approach is structured to add vehicle capacity to the transportation system at locations where trips generated by new development create unacceptable levels of vehicle delay. The primary strength of this approach is it provides a means to fund vehicle capacity projects with funds from developers. However, it does not provide the flexibility and control useful when working to systematically develop a safe, green, and multimodal transportation network.

A funding mechanism that provides more flexibility in where and how funds are spent while increasing certainty to developers would give Ashland more systematic and consistent approach to meet its transportation system plan goals. Transportation projects could be planned and constructed systematically to work towards mitigation packages that create a green template, serve multiple modes safely and equally well, and maintain small-town character while supporting economic prosperity and accommodating growth. A funding mechanism that provides flexibility, certainty, and the ability to strategically pursue system-wide goals is discussed in the following section.

ALTERNATIVE APPROACH

This section outlines the alternative approach and presents the associated strengths and limitations. The alternative approach discussed here is based on Washington County's recently adopted approach, but expanded to specifically address the goals and objectives of the City of Ashland. The general steps include:

- 1) Developers are required to prepare transportation assessments versus transportation impact studies. The assessments focus on:
 - a) On-site vehicular, pedestrian, truck delivery, and emergency service circulation and safety;
 - b) Safety of the proposed site access(es) to the transportation system;
 - c) Multimodal LOS along the adjacent collector and/or arterial corridors; and
 - d) Person trips generated by the development, including those person trips expected to travel through any of the City's previously identified safety focus intersections.
- 2) The developer mitigates safety issues on-site and at their access(es) points to the transportation system.
- 3) The developer contributes financially to the safety improvements identified for the City's safety focus intersections identified in Step 2d.
- 4) The City transitions to a Multimodal SDC, whereby developers are assessed based on the number of person trips the proposed development is estimated to generate. This allows the system revenues to be used to fund capacity related improvements to the vehicular, pedestrian, bicycle, and transit systems.

The safety focus intersections noted above are predetermined by the City through their updates to transportation system plan. In the existing conditions analysis, six intersections were identified as safety focus intersections based on their past crash rates (see Technical Memorandum #4: Existing Conditions Assessment and the Safety Focus Intersections White Paper for more information). Potential mitigations for the safety focus intersections have also been identified; these are the mitigations that developers would contribute to financially based on person trips entering the intersection.

Strengths

The strengths of the alternative approach are discussed below.

Inherently Multimodal — Developers are required to calculate the number of person-trips their proposed development would generate, which helps create the awareness of multiple modes and the need to serve them. The funds collected based on person-trips are then used to fund multimodal projects that add capacity and facilities for pedestrians, bicyclists, transit, freight, and automobiles.

Certainty and Lower Risk for Developers — The alternative approach results in more certainty for the developer and lower financial risk. Hiring a transportation consultant to prepare a transportation assessment letter or memorandum to the City would cost between \$1,000 to \$5,000. After this minimal investment, the developer would know their Multimodal SDC charges and their portion of any planned mitigations to improve safety within 2-3 weeks. This process for the developer would also be less time-intensive because the City has already identified its safety-focused projects through the TSP. In contrast, the traditional approach can often be time-intensive due to the length and complications of collecting traffic count data, identifying study intersections, conducting analysis, reviewing analysis, and so forth.

Actively Incorporates Safety — Developers are required to ensure their on-site circulation and accesses to the transportation system will operate at an acceptable level of safety. They are also required to contribute to mitigations to reduce crashes at safety-focus intersections. This creates a source of funding for local safety improvement projects that currently does not exist.

Equitability Amongst Developer Contributions — Like the traditional approach, the alternative approach would also allow SDC credits to be provided when developers construct facilities that exceed their calculated SDC contribution level.

Flexibility and Control to Reach Community Goals — A key result of applying this alternative approach is more flexibility and control for the City in terms of deciding when, where, and how transportation funds are spent. The City and Community would be able to systematically fund projects such as:

- Expanding the pedestrian sidewalk or trail network;
- Expanding the width and amenities of existing sidewalks;
- Expanding the multiuse trail system;
- Enhancing the bicycle network;
- Supporting an electric bicycle program; and
- Other multimodal, capacity-enhancing projects.

The projects listed above as well as the other strengths outlined above are complementary to and provide opportunities for Ashland to meet the TSP goals.

Enhanced and Versatile Transportation Funding — The alternative approach increases SDC revenue for multimodal capacity improvements, such as sidewalks, bicycle lanes, and transit facilities that can be applied systematically throughout the City. Revenue from SDCs does not have to be spent in the area of the development, and can be spent on any improvement that is included on the list of eligible projects (which can be amended at any time). The alternative approach can also increase SDC revenues by allowing special SDC overlay districts to be established for locations that new urbanizing locations that have extraordinary facility requirements.

Limitations

The limitations of the alternative approach are outlined below.

Risk for Increased Auto Delay – Developers would no longer be required to pay for large vehicle capacity enhancement projects. The current forecasted traffic indicates that such large enhancements are not required in Ashland over the next 20 to 25 years. However, if or when a need arose for a large vehicle capacity enhancement due to a development, it would be up to the City to either (1) use the multimodal SDC funds to fund it or (2) to decide not to fund it and tolerate any increased vehicle delay on the system.

Evolving Data on Person-Trip Generation – Vehicular trip generation has been well-studied for many years, but the trip generation of alternative modes has only recently begun to receive attention. Alternative-mode trip generation depends not only on the size and type of development, but also on the quality of the pedestrian and bicycle facilities and transit services provided. Given Ashland's planned investment in multimodal facilities and services, the City should expect to have to refine its person-trip generation data over time (e.g., through site surveys) to reflect local conditions.

Multimodal Improvement Priority System and Revenue Sharing – The alternative approach requires the City to have a prioritized list of improvement projects that includes all travel modes in all areas of the city. The list would need to be updated and re-evaluated on a regular basis to ensure that the priorities continue to represent the needs of the City.

Revenue Sharing – Several roadways and other facilities throughout Ashland are controlled by agencies other than the City, such as ODOT, Jackson County, and the Rouge Valley Transit District. The City will have to enter into an agreement, such as an Urban Services Agreement (UGA) with these other agencies on how SDCs collected on these facilities are shared.

NEXT STEPS

The Planning Commission, Transportation Commission, City Council, Ashland Community, and City staff should consider the strengths and limitation of the traditional and alternative approaches to development review and funding transportation projects through SDCs. Input also needs to be gathered from the Oregon Department of Transportation (ODOT) and Jackson County because these agencies also have jurisdictional responsibility for roadways within Ashland. The alternative approach outlined could be tailored or modified to fit Ashland's needs. If there is interest in pursuing the alternative approach, the general next steps would include:

- 1) Obtaining feedback from the TAC, PC and TC on the elements of the alternative approach described that appeal and do not appeal them.
- 2) Adopt new development review guidelines and standards as part of the TSP Update process.
- 3) Update the TSDC methodology to be based on person trips and to include all eligible projects from the TSP.

Table 1 Cost Summary Table

Land Use	Approach	Traffic Impact Study		Review Period		Traditional SDC ¹	Multimodal SDC	Capacity Mitigation	Safety Mitigation	Total Time	Total Cost	Level of Certainty
		Cost	Time	Cost	Time							
10 Single Family Homes	Traditional	\$5-30K	3-8 weeks	\$1-10K	3-8 weeks	\$20K		None	None	6-16 weeks	26-50K	Medium
	Alternative	\$1-5K	1-3 weeks	\$500	1-3 weeks		\$50K	None	None	2-6 weeks	52-56K	High
50,000 sqft Shopping Center (With offsite improvements)	Traditional	\$5-30K	3-8 weeks	\$1-10K	3-8 weeks	\$162K		Traffic Signal & Left-turn Lane*	None	6-16 weeks	518-552K	Low
	Alternative	\$1-5K	1-3 weeks	\$500	1-3 weeks		\$405K	None	None	2-6 weeks	407-411K	High
50,000 sqft Shopping Center (Without offsite improvements)	Traditional	\$5-30K	3-8 weeks	\$1-10K	3-8 weeks	\$162K		None	None	6-16 weeks	168-202K	Low
	Alternative	\$1-5K	1-3 weeks	\$500	1-3 weeks		\$405K	None	None	2-6 weeks	407-411K	High

* Assuming 250K for the traffic signal and 100K for the left-turn lane.

¹ Source: <http://www.ashland.or.us/Page.asp?NavID=9195>